(d) Total requirement of food subsidy estimated for 2009-10 (Revised Estimates) is Rs. 67,609 crore. This includes subsidy for TPDS, Other Welfare Schemes, Buffer Subsidy, Subsidy on open market sale scheme and arrears of previous years.

Allocation of 3G spectrum

*119. SHRI S.S. AHLUWALIA: Will the Minister of COMMUNICATIONS AND INFORMATION TECHNOLOGY be pleased to state:

(a) whether allocation of 3-G Spectrum has been decided to be made through an auction process;

(b) if so, salient details of the process decided to be pursued for the same *vis-à-vis* recommendations and advice, if any, given by TRAI, Finance Ministry and other agencies;

(c) the details of advantages, if any, envisaged for cellular phone consumers owing to 3-G spectrum availability;

(d) the details of the period when the final decision regarding the process taken by Government, indicating the period when the process is finally expected to be completed; and

(e) the reasons for prolonging the process?

THE MINISTER OF COMMUNICATIONS AND INFORMATION TECHNOLOGY (SHRI A. RAJA): (a) Yes, Sir.

(b) (i) **Auction Process**: TRAI has recommended in 2006 that 3G spectrum should be auctioned so as to ensure efficient utilization of this scarce resource. As per the guidelines issued in August/September, 2008, Department of Telecommunications (DoT) announced that 3G spectrum shall be auctioned through a controlled, simultaneous, ascending e-auction.

(ii) **Reserve Price**: Department of Telecommunication (DoT) has suggested Pan India reserve price of Rs. 2020 crores per one block of 2 × 5 MHz of 3G spectrum in 2.1 GHz band which was agreed to by TRAI. Finance Ministry has suggested further doubling the reserve price from Rs. 2020 crores to Rs. 4040 crores for the same spectrum block. Empowered Group of Ministers (EGoM) in the meeting held on August 27, 2009 has decided to keep a pan India reserve price of Rs. 3500 crores for the same spectrum block.

(c) 3G systems support increased data communication, hence they allow high speed data transfer of at least 144 kbps, mobile Internet access, entertainment, and triple-play converged communications services on the Cellular Mobile Phone of the consumer.

(d) Revised Information Memorandum indicating the various aspects associated with the 3G auction has been issued on 23/10/2009 and published on Department of Telecommunications (DoT) website. The time line for 3G auction, mentioned in the Revised Information Memorandum, is given in the Statement (*See* below).

(e) Not applicable in view of (d) above.

Statement

Auction of 3G and BWA Spectrum – Revised Information Memorandum

1.11 **Timetable**

The Auctions shall be carried in 4 stages as below:—

Figure 1. Stages in the Auction process

Invitation Stage	Pre-qualification Stage	Auction Stage	Grant Stage
Applications	Evaluation	Bidding	Final Approvals

There is no pre-set timetable and the Government reserves the right to determine the overall timetable of the Auctions or to amend it from time to time. However, the table below sets out an indicative timetable.

Table 7. Indicative Timetable

Deadline for submission of questions for per-bid conference	13th November, 2009
Pre-bid conference	16th November, 2009
Issue of clarifications, if any	27th November, 2009
Notice Inviting Applications	8th December, 2009
Final date for Applications	21st December, 2009
Publication of ownership details of Applicants	24th December, 2009
Bidder Ownership compliance Certificate	4th January, 2010
Pre-qualification of Bidders	7th January, 2010
Mock Auction	11th-12th January, 2010
Start of the 3G Auction	14th January, 2010
Start of the 800 MHz and BWA Auction	2 days from the day of close of the 3G auction
Payment of Bid Deposit by Successful Bidders	Within 5 calendar days of the close of the relevant Auction
Payment of the balance amount (Successful Bid Amount less Bid Deposit)	Within 15 calendar days of the close of the relevant Auction

Note: Any change in the Auction Timelines will be communicated to bidders through the auctions website. Participants are requested to monitor the Auctions website actively.